



GUIDE TO THE BUDGET

The budget document is a two volume set. Volume One is the [Executive Budget](#) and Volume Two is the [Detail Budget](#). The Executive Budget is designed for a more general audience. Internet access makes the City's budget available to a much broader range of people. Go to <http://wichita.gov/CityOffices/Finance/Budget/Budget/> to see the budget from 1978 to the current one. The Executive Budget is primarily a narrative presentation providing the City Manager's Policy letter, budget highlights, a profile of the City of Wichita, service presentations, background information, performance measurement data, summary tables of appropriations, and an entire section on property taxes and the mill levy rate.

The Detail Budget is intended for an audience interested in more specific information. It contains very little narrative and is mostly numbers (see Figures 1 and 2). Volume Two includes line item detail budget pages, personal services pages (which identify individual position titles, position classification ranges, authorized position counts, and salary amounts), a listing of all budgeted capital outlay, an itemization of all appropriation items categorized as "other" within department budgets, position counts, all the organization salary schedules (ranges and steps), information about employee benefits, and an explanation of the chart of accounts for expenditures.

Figure 1. Personal Services Page, Detail Budget (Vol. 2)

CITY OF WICHITA 2007/2008 PROPOSED BUDGET									
GOAL	1 SAFE AND SECURE								
PROGRAM	10 FUNCTIONAL MANAGEMENT								
SERVICE	011001 ADMINISTRATION- FIRE								
DEPARTMENT	07 FIRE								
FUND	100 GENERAL FUND								
POSITION TITLE	2005	2006	2007	2008	2006	2007	2008		
				RANGE	ADOPTED	REVISED	PROPOSED	PROJECTED	
Administration									
Fire Chief	1	1	1	002	111,450	114,790	114,790	114,790	
Assistant to the Director	1	1	1	115	59,490	61,270	61,270	61,270	
Account Clerk III	1	1	1	621	33,750	33,750	35,630	37,250	
Subtotal	3	3	3		204,690	209,810	211,690	213,310	
ADD: Longevity					4,510	4,660	5,880	6,180	
MCI					1,340	0	0	0	
Cell Phone allowance					360	360	360	360	
Accrual					0	2,900	2,900	2,900	
Subtotal					6,210	7,920	9,140	9,440	
TOTAL	3	3	3		210,900	217,730	220,830	222,750	

Both documents are primarily organized by goals, as adopted by the City Council, with the Executive Budget offering a few additional sections in the front. Both budgets have an "Other Information" section at the end. Sections are separated with tabbed dividers.

The [City Manager Policy Message](#), near the front of the Executive Budget, focuses on current budget issues and the budget development environment. It succinctly communicates the City Council's policies and priorities that superintend the process, the salient issues and how they were resolved, and all the major changes incorporated in this budget. The intent of the Policy Message provides readers one document that encapsulates the budget process. Subsequent sections of the budget documents provide greater detail, especially those located in Volume Two.

Figure 2. Line Item Budget, Detail Budget (Vol. 2)

CITY OF WICHITA 2007/2008 PROPOSED BUDGET									
GOAL	1 SAFE AND SECURE								
PROGRAM	10 ADMINISTRATION								
SERVICE	011001 FIRE ADMINISTRATION								
DEPARTMENT	07 FIRE								
FUND	100 GENERAL FUND								
	2005 ACTUAL	2006 ADOPTED	2006 REVISED	2007 PROPOSED	2008 PROJECTED				
110 Regular Salaries	214,400	209,200	217,370	220,470	222,390				
120 Special Salaries	4,610	3,860	360	360	360				
130 Overtime	11,956	0	0	0	0				
140 Employee Benefits	52,020	55,510	51,640	53,080	55,410				
150 Planned Savings	0	0	0	0	0				
Subtotal Personal Services	282,986	268,570	269,370	273,910	278,160				
210 Utilities	2	0	0	0	0				
220 Communications	14,561	11,590	12,390	12,390	12,390				
230 Transportation and Training	3,340	3,010	3,010	2,010	2,010				
240 Insurance	0	2,280	310	310	310				
250 Professional Services	1,870	3,700	100	100	100				
260 Data Processing	17,001	17,000	18,850	23,320	23,400				
270 Equipment Charges	499	11,300	4,090	4,090	4,090				
280 Buildings and Grounds Charges	0	0	0	0	0				
290 Other Contractuals	16,521	10,100	15,810	15,810	15,810				
Subtotal Contractuals	63,593	59,070	64,650	68,020	68,100				
310 Office Supplies	6,779	8,820	8,820	8,820	8,820				
320 Clothing and Towels	0	0	0	0	0				
330 Chemicals	0	0	0	0	0				
340 Equipment Parts and Supplies	1,436	0	0	0	0				
350 Materials	0	0	0	0	0				
370 Building Parts and Materials	300	0	0	0	0				
380 Non-capitalizable Equipment	3,202	0	0	0	0				
390 Other Commodities	422	0	0	0	0				
Subtotal Commodities	12,156	8,820	8,820	8,820	8,820				
410 Land	0	0	0	0	0				
420 Buildings	0	0	0	0	0				
430 Improvements Other Than Bldgs.	0	0	0	0	0				
440 Office Equipment	0	0	0	0	0				
450 Vehicular Equipment	39,000	0	0	0	0				
460 Operating Equipment	0	0	0	0	0				
Subtotal Capital Outlay	39,000	0	0	0	0				
510 Interfund Transfers	0	0	0	0	0				
520 Debt Service	0	0	0	0	0				
530 Other Nonoperating Expenses	0	0	0	0	0				
540 Inventory Accounts	0	0	0	0	0				
550 Projects Closing Entries	0	0	0	0	0				
Subtotal Other	0	0	0	0	0				
TOTAL	387,152	336,460	332,740	346,750	346,080				

The [City Profile](#) includes the core values and Transforming Wichita goals. This is further illustrated with a matrix of departments and organizational goals. The profile also contains an Environmental Scan that provides a historical outline of the City of Wichita. In addition, the City Profile reports demographic information, as well as information on industry and employment. Selected measures and projections of community growth that have assisted the budget process are also reported in the City Profile.

The [Budget Process](#) includes a budget calendar and information about the budget process and Transforming Wichita.

[Summaries of Revenues and Expenditures](#) are in the following section. Often called the City's "Total Operating Budget," the summaries in fact are a combined presentation of several, discrete operating budgets (or legal funds) that are established as locally funded operations. Trust funds, grant funds and capital funds are not included in these summaries.

In previous years the budget was arranged by department. In light of Transforming Wichita, the budget is arranged by goal, and information is provided for each Service. [Service Presentations](#) in the Executive Budget begin with a mission statement, recent accomplishments, service objectives, and a table reporting key performance measurements that relate to the objectives as well as providing benchmarks to compare against (see Figure 4).



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Benchmarks are derived a number of different ways, and some are currently under development. A key is provided on each page to provide the reader with an explanation of the symbols from which benchmarks were derived. The section also includes an overview of that service's operational information, discussion of issues that were prevalent during budget development, and closes with narrative about future challenges and summary table of appropriations and authorized position totals. The depth of discussion for each department is intended to provide general audiences with a greater sense of what total value that department adds to the community for the amount of its budget.

The final section of the budget document contains Other Information, and provides supplementary detail for the rest of the document, as well as budgetary laws, policies and guidelines.

BUDGET DOCUMENTS

The two-volume budget document is the principal product of the budget development process, but there are several documents produced as part of the overall process, and each of them contribute to the financial planning and policy making process. The budget captures in summary much of the information provided in other documents.

Figure 3. Budget Summary Table, Executive Budget (Vol. 1)

	2005 Actual	2006 Adopted	2006 Revised	2007 Proposed	2008 Projected
General Fund Expenditures	\$387,132	\$336,480	\$332,740	\$340,750	\$345,080
Total FTEs	3	3	3	3	3

For additional information visit www.wichita.gov

The **Proposed Annual Budget** contains the City Manager's proposal to meet the City's operating needs for a two-year (continually rotating) period, along with revenue estimates and decision points for City Council action (published in July). It resembles the eventual Adopted Budget in all respects, i.e., Executive and Detail volumes, etc. However, it does not include any final changes made by the governing body and it does not contain some information that is not available until later in the year, e.g., updated grant information.

The **Adopted Annual Budget** contains the operating expenditure limits approved by the City Council and certified to the State of Kansas, as required by law, for the coming calendar year (published in November). The Executive and the Detail publication together comprise the **Adopted Annual Budget**.

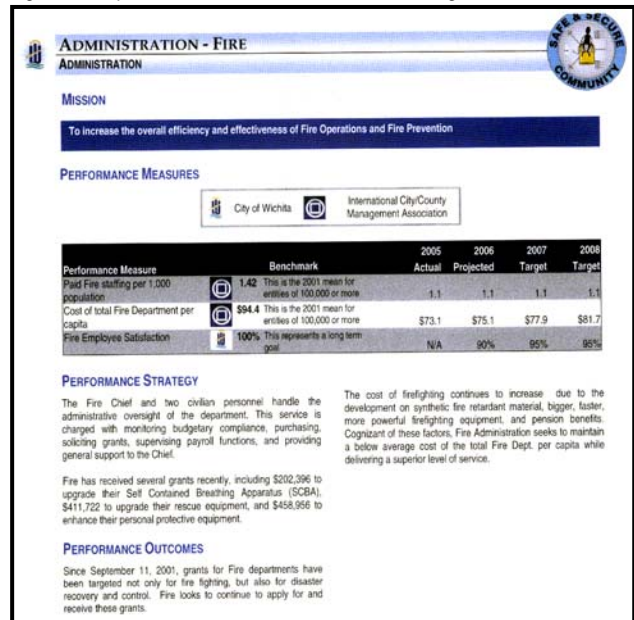
The **Capital Improvement Program** (CIP) provides the ten-year program for planned capital projects and the means of financing them.

Each year, the Budget Office produces the City's annual **Organizational Chart**. This document conveys the approved organizations for each City department, including all authorized position titles and counts, and information about which are locally or non-locally funded.

GOVERNMENTAL FUNDS. Governmental funds are used to account for operations that rely primarily on current assets and current liabilities.

- The **General Fund** finances the largest portion of current operations. Services provided by Police, Fire, Public Works, Park, Library, Law, Municipal Court, Finance, Health, City Council and the City Manager's Office are funded at least in part by the General Fund. Primary funding sources are property taxes, motor vehicle taxes, franchise taxes, sales tax revenues, intergovernmental aid and user fees.

Figure 4. Department Presentation, Executive Budget (Vol. 1)



- The **Debt Service Fund** accounts for the payment of interest and principal on long-term general obligation (GO) debt. Sources of funding include property taxes, special assessments, sales tax, bond proceeds, interest earnings and miscellaneous sources.

SPECIAL REVENUE FUNDS finance specified activities from a dedicated revenue source.

- The **Tourism and Convention Fund** supports convention and tourism promotion with monies collected through the transient guest tax.
- The **Trolley Fund** receives contributions, charter income, fares, and other revenues to finance operating and maintenance costs of five trolleys.
- The **Special Alcohol Programs Fund** receives a dedicated portion of state-shared alcohol liquor tax revenues, which are reserved only for services or programs dealing with alcoholism and drug abuse prevention and education.



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- The *Special Parks and Recreation Fund* receives a portion of state-shared alcohol liquor tax for the support of park and recreational services, programs and facilities.
- The *Ice Rink Management Fund* uses revenues received from the operation of Wichita Ice Sports to offset the expense of contract management for the facility.
- The *Landfill Fund* receives income through a lease agreement with a private contractor, to support activities at refuse disposal sites and environmental management needs.
- The *Landfill Post Closure Fund* exists to satisfy a statutory requirement of contingent resources enough to remediate environmental hazards emanating from the City's closed landfill. The resources were accumulated during the operation of the landfill, are enhanced through investment, and must be maintained throughout a thirty year liability period.
- The *Central Inspection Fund* utilizes building permit and license fees to monitor and regulate compliance with City codes on building construction, housing maintenance, signs and zoning.
- The *Economic Development Fund* provides management for the City's ongoing capital financing program as well as the administration for special financing projects.
- The *Sales Tax Construction Pledge Fund* receives one-half of the City's local sales tax distribution, which is pledged to support the City's transportation infrastructure. Resources are used to support debt obligations in the Debt Service Fund for selected freeway, arterial, and bridge projects, and thereafter to cash finance other qualifying and designated transportation projects.
- The *Property Management Fund* utilizes rental revenues and other earnings to acquire, manage, and dispose of City-owned properties.
- The *State Office Building Fund* uses building and garage rent payments and parking space revenues to manage custodial and maintenance functions of the State Office Building.
- The *Tax Increment Financing Fund (TIF Districts)* receives support from a property tax increment in defined districts to fund remediation and clean-up of groundwater contamination, and fund redevelopment projects to prevent or alleviate blighted areas. Districts established to eliminate groundwater contamination also receive funding from potentially responsible parties to assist with the clean-up efforts.
- The *Self-Supporting Municipal Improvement District (SSMID)* was created by the City Council in 2000 as a benefit assessment district to improve and convey special benefits to properties in downtown Wichita. The SSMID Fund provides the accounting mechanism for the revenues and distributions of the district.

▪ The *City/County Joint Operations Fund* supports the Metropolitan Area Planning Department and maintenance of the Wichita-Valley Center Floodway Project. Both operations are jointly financed by the City/County (less any self generating revenue), but are administered within the City's organization.

▪ The *Art Museum Board Fund* segregates the annual General Fund subsidy given to the Art Museum, allowing these resources to carryover to subsequent fiscal years, earn interest, and maintain a cash reserve for accrued liabilities (vacation and sick leave) and for emergencies.

ENTERPRISE FUNDS are used for government functions that are self-supporting. Enterprise funds belong to the group of funds called "proprietary", and are operated much like a business, with a balance sheet for all long-term debt obligations, assets and liabilities. These funds provide services to the community at large, in contrast with internal service funds (another kind of proprietary fund that provides services within the City organization). Each enterprise operation receives revenues from the sale of services or user fees. The operations generally do not receive tax support, except for Transit, which receives a subsidy from the General Fund.

▪ The *Wichita Airport* provides facilities for air transportation services for the public, business and industry.

▪ The *Golf Course System* provides five public golf facilities that are supported by user fees.

▪ The *Sewer Utility* operates and maintains the sewer component of the combined Water and Sewer Department, including wastewater treatment plants.

▪ The *Water Utility* operates and maintains the water component of the combined Water and Sewer Department, treating and distributing a safe, reliable supply of water from the equus beds (aquifer) and Cheney Reservoir (surface water).

▪ The *Storm Water Utility* is responsible for the construction and maintenance of the City's storm water system.

▪ *Wichita Transit* provides public bus service through regular fixed route services and special charter (point-to-point) services.

INTERNAL SERVICE FUNDS provide services for City departments at cost. Like enterprise funds (which provide services externally), internal service funds belong to the "proprietary" group of funds. The funds are operated like a business, with a balance sheet for all assets, current liabilities and long-term obligations.

▪ *Fleet* includes the equipment motor pool and central maintenance facility.

▪ *Information Technology* coordinates the City's office automation and data processing, and provides centralized



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management of the large digital switch, long distance usage, smaller telephone systems, and other tele-communications.

- *Stationery Stores* provides all departments with office supplies, mail service, and microfilming at the most economical cost.
- *Self Insurance* accounts for the self insurance programs of health, workers' compensation, group life, employee liability, property damage and general liability.

TRUST FUNDS are established when the City is custodian of monies that are to be reserved and used for a specific purpose. The budget document presents selected trust funds that are expended according to the conditions of the trusts.

- The *Wichita Employees' Retirement Fund* provides a pension program for noncommissioned employees. The City's contribution is budgeted within the operating departments.
- The *Police and Fire Retirement Fund* provides a pension program for commissioned Police and Fire personnel. The City's contribution to this pension program is budgeted within the operating departments.
- The *Cemeteries Trust Fund* uses interest earnings and charges for services to maintain the Highland Park and Jamestown cemeteries.

The chart on page xiii provides a graphic representation of the fund structure utilized in the City budget. Efforts have led to a consolidation of funds (for example, more than a dozen property tax supported funds have now been consolidated into the General Fund and Debt Service Fund). Fund consolidation, along with automated data system accounting, allows improved management and costing of programs (and cost recovery where appropriate) and maximizes City Council financial flexibility in policymaking.